
By: **Chairman, Ways and Means Committee (By Request - Departmental -
Business and Economic Development)**

Introduced and read first time: February 12, 2004

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: April 7, 2004

CHAPTER _____

1 AN ACT concerning

2 **Research and Development Tax Credit - Maryland Technology Development**
3 **Corporation**

4 FOR the purpose of ~~extending a certain termination provision applicable to the~~
5 ~~research and development tax credit allowed against the Maryland income tax;~~
6 ~~extending the applicability of the credit to certain taxable years; and generally~~
7 ~~relating to the research and development tax credit program requiring the~~
8 ~~Governor to include a certain general fund appropriation in the annual budget~~
9 ~~bill each year for the Maryland Technology Development Corporation; and~~
10 ~~generally relating to the Maryland Technology Development Corporation.~~

11 ~~BY repealing and reenacting, with amendments,~~
12 ~~Chapter 515 of the Acts of the General Assembly of 2000~~
13 ~~Section 2 and 4~~

14 ~~BY repealing and reenacting, with amendments,~~
15 ~~Chapter 516 of the Acts of the General Assembly of 2000~~
16 ~~Section 2 and 4~~

17 BY repealing and reenacting, with amendments,
18 Article 83A - Department of Business and Economic Development
19 Section 5-2A-02
20 Annotated Code of Maryland
21 (2003 Replacement Volume)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Chapter 515 of the Acts of 2000**

4 ~~SECTION 2. AND BE IT FURTHER ENACTED, That:~~

5 (a) ~~Except as otherwise provided in this section, this Act shall be applicable to~~
6 ~~all taxable years beginning after December 31, 1999 but before January 1, [2005]~~
7 ~~2010.~~

8 (b) ~~If a taxpayer's taxable year for income tax purposes is not the calendar~~
9 ~~year:~~

10 (1) ~~for the taxable year that ends in calendar year 2000, the taxpayer~~
11 ~~may apply for a prorated credit for research and development expenses paid or~~
12 ~~incurred in the taxable year for that part of the taxable year that falls in calendar~~
13 ~~year 2000; and~~

14 (2) ~~for the taxable year that begins in calendar year [2004] 2009, the~~
15 ~~taxpayer may apply for only a prorated credit for research and development expenses~~
16 ~~paid or incurred in the taxable year for that part of the taxable year that falls in~~
17 ~~calendar year [2004] 2009.~~

18 ~~SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect~~
19 ~~July 1, 2000. It shall remain effective for a period of [6] 11 years and, at the end of~~
20 ~~June 30, [2006] 2011, with no further action required by the General Assembly, this~~
21 ~~Act shall be abrogated and of no further force and effect.~~

22 **Chapter 516 of the Acts of 2000**

23 ~~SECTION 2. AND BE IT FURTHER ENACTED, That:~~

24 (a) ~~Except as otherwise provided in this section, this Act shall be applicable to~~
25 ~~all taxable years beginning after December 31, 1999 but before January 1, [2005]~~
26 ~~2010.~~

27 (b) ~~If a taxpayer's taxable year for income tax purposes is not the calendar~~
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32 ~~year 2000; and~~

33 (2) ~~for the taxable year that begins in calendar year [2004] 2009, the~~
34 ~~taxpayer may apply for only a prorated credit for research and development expenses~~
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5 **Article 83A - Department of Business and Economic Development**

6 5-2A-02.

7 (a) There is a Maryland Technology Development Corporation.

8 (b) The Corporation is a body politic and corporate and is constituted as a
9 public instrumentality of the State.

10 (c) The purpose of the Corporation is to:

11 (1) Assist in transferring to the private sector and commercializing the
12 results and products of scientific research and development conducted by colleges and
13 universities;

14 (2) Assist in the commercialization of technology developed in the
15 private sector; and

16 (3) Foster the commercialization of research and development described
17 in items (1) and (2) of this subsection to create and sustain businesses throughout all
18 regions of the State.

19 (D) FOR FISCAL YEAR 2006 AND EACH FISCAL YEAR THEREAFTER, THE
20 GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL A PROPOSED GENERAL
21 FUND APPROPRIATION FOR THE CORPORATION IN AN AMOUNT NOT LESS THAN
22 \$8,750,000.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 July 1, 2004.